## REMARKS

Reconsideration of the pending application is respectfully requested on the basis of the following particulars:

## Amendments and Support for Same

By the Response, claim 1 has been amended to more particularly point out and distinctly claim the subject matter of the invention. Claims 1-7 and 10-14 have also been amended to delete reference numerals associated with each claimed feature and to delete "means of" language where applicable. No new matter has been added. Claims 8-9 have been cancelled, and claims 17-24 have been withdrawn. Accordingly, claims 1-7 and 10-16 are respectfully submitted for consideration. Approval and entry of the amendments are respectfully requested.

## Rejections under 35 U.S.C. §103(a)

With respect to the rejection of claims 1-3, 5-7 and 16 under 35 U.S.C. § 103(a) as being unpatentable over Baldwin (US 5,982,284) in view of Loemker (US 5,583,489), to the rejection of claims 6 and 11-14 under 35 U.S.C. § 103(a) as being unpatentable over Baldwin and Loemker in further view of Tirkkonen (WO 01/75843), and to the rejection of claim 4 under 35 U.S.C. § 103(a) as being unpatentable over Baldwin and Loemker in further view of Matsuzaki (US 4,783,646), Applicant respectfully traverses the rejection at least for the reason that Baldwin, Loemker, Tirkkonen, and Matsuzaki, combined or separately, fail to teach, disclose, or suggest all of the limitation recited in the rejected claims.

As amended, claim 1 additionally recites the transponder arrangement embedded between the first adhesive layer (3) and the second adhesive layer (4) and is in continuous contact with the first adhesive layer and the second adhesive layer. Support for the amended features can be found in, e.g., page 8, first paragraph, of the specification, as well as in Figs. 1B, 2B, 3B, 4, and 5.

With respect to Baldwin, the reference generally describes that the RFID chip should be included in a label such that the edges of the chip are masked in the lamination so as to not give away the presence of the device, as shown in col. 1, lines 60-63. According to col. 1, lines 64-67, such an arrangement is to minimize evidence of the presence of an electronic detection device laminated with the label. Therefore, an air gap (35) is arranged around the perimeter of the RFID chip which eliminates the wrinkle that would otherwise be created by the edge of the RFID chip, as described in col. 2, lines 44-46. In the label according to Baldwin, this air gap is mandatory so as to render the RFID chip as less recognizable as possible. Therefore, the RFID chip in accordance with Baldwin's description with the above-discussed air gap (35) is not embedded between two adhesive layers and is in continuous contact with the first adhesive layer and the second adhesive layer, as recited in amended claim 1.

In contrast to Baldwin, a transponder arrangement according to amended claim 1 of the present application is embedded tightly between the adhesive layers 3 and 4 and is in continuous contact with the first adhesive layer and the second adhesive layer. That is, as shown in aforementioned Figs. 1B, 2B, 3B, 4, and 5 and page 8 of the present application, there is no air gap between the adhesive layers and the transponder arrangement, thereby the transponder arrangement is sealed against environmental influences and is particularly reliable.

With respect to Loemker, the cited reference does not teach, disclose, or suggest the sealing of a RPID chip using adhesive layers. Further, Loemker does not teach, disclose or suggest the transponder arrangement embedded between the first adhesive layer and the second adhesive layer and is in continuous contact with the first adhesive layer and the second adhesive layer, as recited in amended claim 1.

With respect to Tirkkonen, as previously argued, this patent does not deal with the sealing of a chip within a label, and even less with the sealing with two adhesive layers. There is simply no suggestion to a person of ordinary skill in the art for sealing a transponder arrangement by means of two adhesive layers, wherein the transponder arrangement embedded between the first adhesive layer and the second adhesive layer and is in continuous contact with the first adhesive layer and the second adhesive layer, as recited in amended claim 1.

Moreover, as previously submitted, Tirkkonen describes a smart label which may be attached to a textile material. The label comprises a chip 2 fixed to the label 1 with an adhesive layer 3 and a back film 4 (see Figure 2 and page 5, lines 20-26). As described on

page 4, line 37 to page 5, line 5, an electroconductive ink is printed on the back film or a metal film is etched or punched to manufacture the antenna of the smart label. Therefore, the use of a foil is mandatory in combination with a label according to Tirkkonen. A substitution of such a foil with a textile layer is not suggested.

Further, manufacture the antenna of the chip as disclosed by Tirkkonen would not be realizable if a textile label were to be disposed as the back film, since electroconductive ink could not be printed on a textile label so as to form an antenna for a RFID chip. Thus, Tirkkonen would appear to teach away from use of a textile upper label as recited in amended claim 1.

As set forth above, Baldwin, Loemker, Tirkkonen, and Matsuzaki, combined or separately, fail to teach, disclose, or suggest the transponder arrangement being embedded between the first adhesive layer (3) and the second adhesive layer (4) and is in continuous contact with the first adhesive layer and the second adhesive layer, as recited in amended claim 1.

In view of the amendment and arguments set forth above, Applicant respectfully requests reconsideration and withdrawal of the \$103(a) rejection of claims 1-7 and 10-16.

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## Conclusion

In view of the amendments to the claims, and in further view of the foregoing remarks, it is respectfully submitted that the application is in condition for allowance. Accordingly, it is requested that claims 1-7 and 10-16 be allowed and the application be passed to issue.

If any issues remain that may be resolved by a telephone or facsimile communication with the Applicant's representative, the Examiner is invited to contact the undersigned at the numbers shown.

Further, while no fees are believed to be due, the Commissioner is hereby authorized to charge any additional fees which may be required, or credit any overpayment to Deposit Account No. 50-4525.

Respectfully submitted,

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